

# WAPA's position on industry trends

CRSP Management Center  
Annual Customer Meeting

May 23, 2017 | Salt Lake City, UT

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Administrator and CEO



# The world is changing



# New administration

- Formal transfer of government
- Political appointee turnover
- Deputy Secretary Senate hearing Thursday
- WLO activity

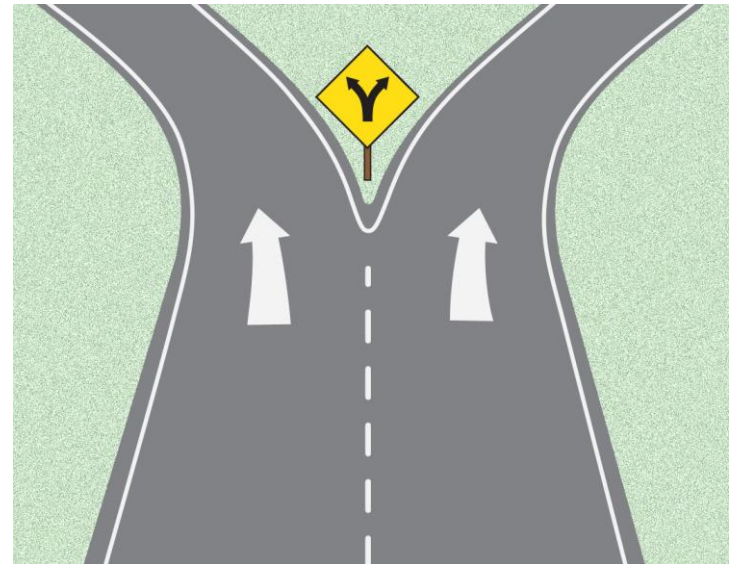


# Change is upon us



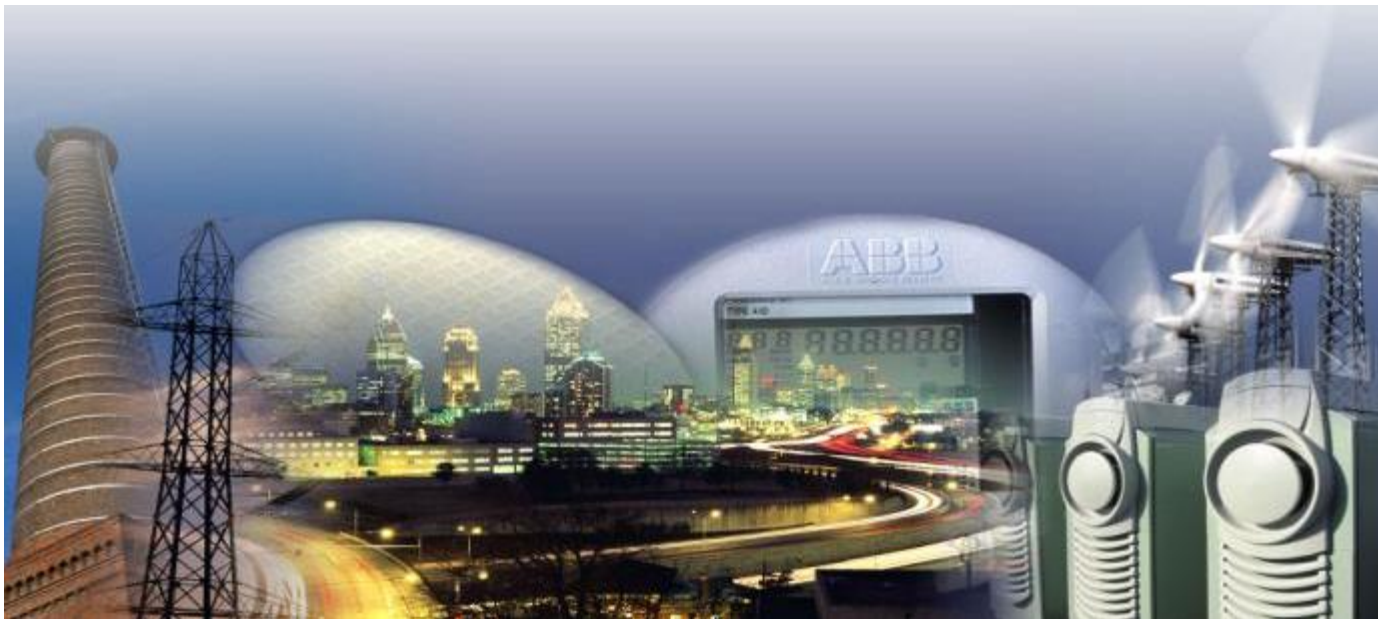
# Change brings challenges

- Aging infrastructure
- Increased regulation
- Intermittent resources
- Decreased hydro production
- More customer-side resources
- Changing markets
- Security



# Fundamental change

The challenge for the utility of today is not only what is real but what is perceived as real.



# Home tech drives benefits

4.92 billion wireless devices globally / 66% penetration

*Source: Hootsuite, January 2017*



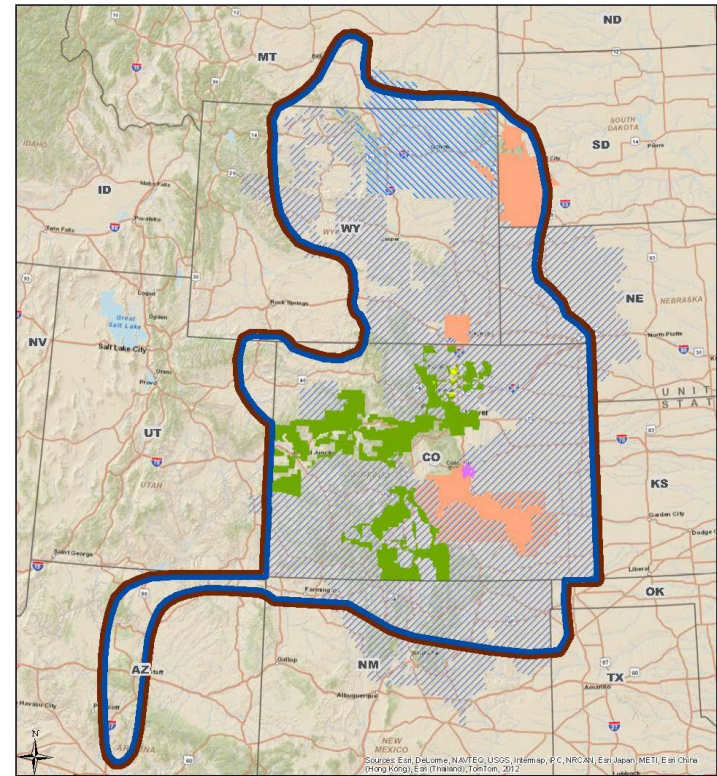
# Radical thoughts ...

- kWh is dead
- All-you-can-eat electricity
- Time-of-purchase rates NOT time-of-use rates
- Flexing your distribution system with customers
- Utility is the network provider



# Mountain West update

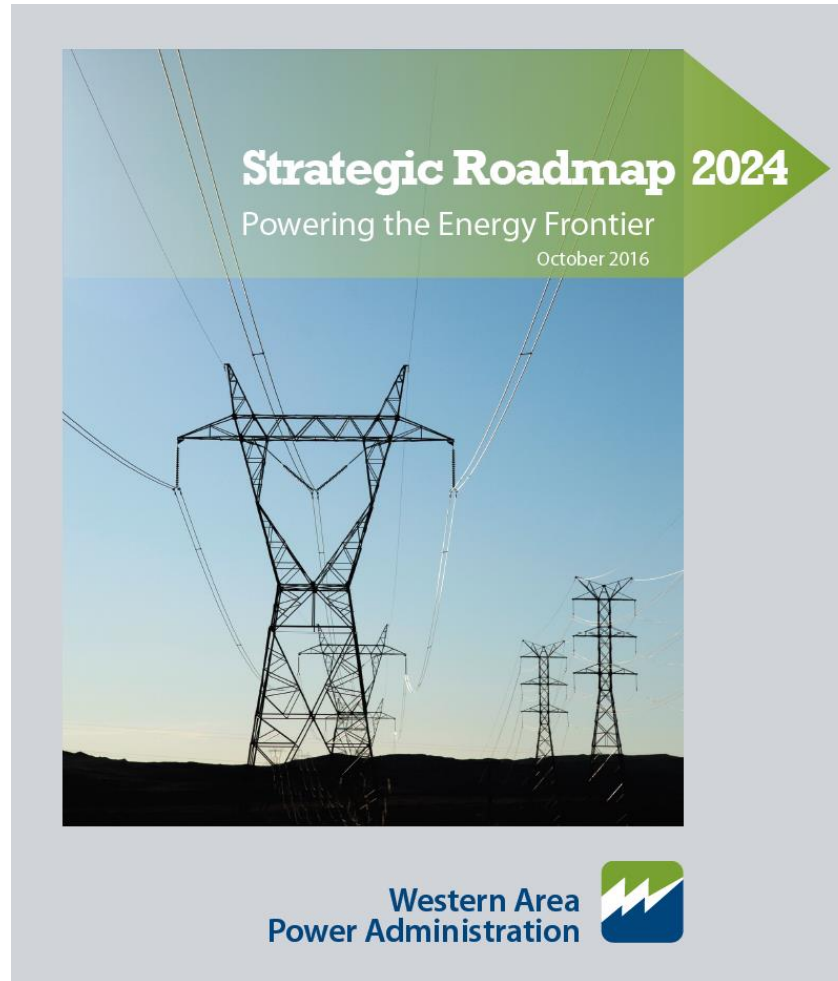
- Formed 2013
- Evaluating options
- Expected decision mid-2017
- If applicable, market implementation 2019
- May 24 meeting with CEOs



**Mountain West Transmission Group**  
**Membership Areas**



# What are we doing about it?



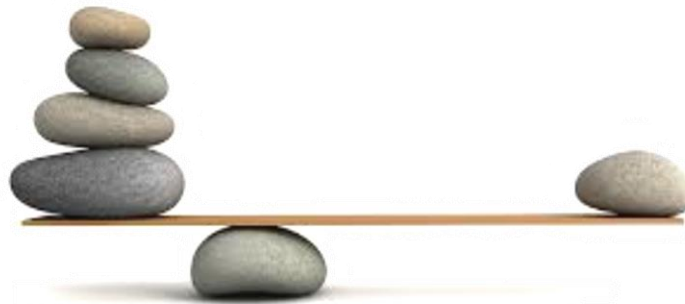
# Shift in strategic thinking

- Broader perspective
- Data-driven decisions
- Industry impacts to customers



# Increasing requirements

- Investments in Security
- NERC requirements
  - CIP version 5
  - Audits, mock audits
  - Alerts
  - Standards
  - FAC-003 & FAC-008
  - NATF peer reviews
- FITARA
- FISMA modernization
- OMB Circular A130
- New endangered species
- DHS binding operational directives
- OSHA requirements
  - Fall Protection 100% attachment
  - Transient over-voltage compliance
- Formalized grounding cable procedures
- GPR monitor for t-lines



# Physical security

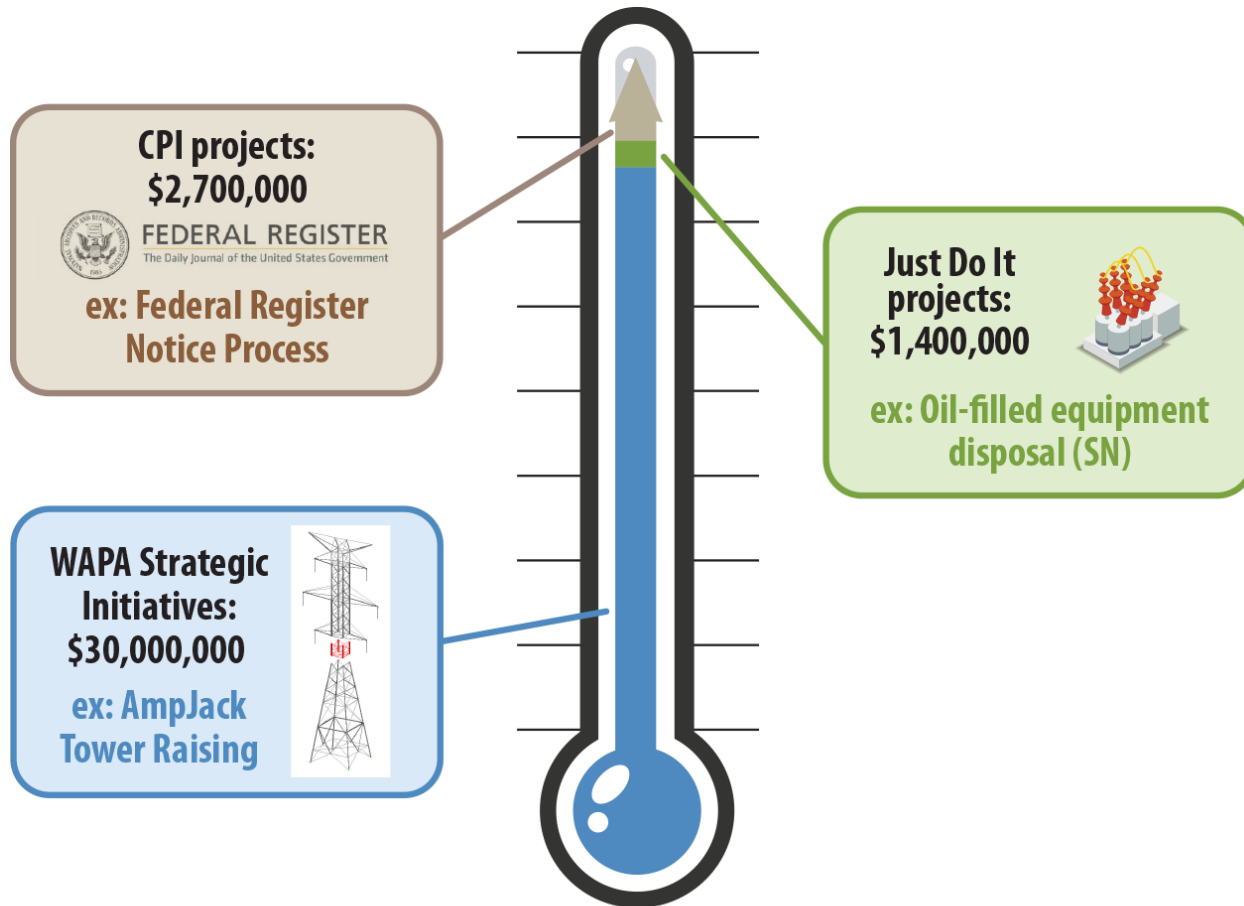
- Consolidated office in 2013
- All-hazards approach
- Assessing all subs
  - 203/319 complete
- Nearly tripled investments since 2013
- 40,000 hours on CIPv5



# Lifecycle considerations



# Cost containment



**WAPA cost savings and avoidance: \$34,000,000 as of March 31, 2017**

# Transparency



# Key takeaways

*Focus on value and business excellence.  
Be aware of industry trends and changes.  
Continue delivering on mission.*



# Contact/follow me

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